United Nations A/C.5/55/SR.53

General Assembly
Fifty-fifth session

Official Records

Distr.: General
5 April 2001

Original: English

Fifth Committee

Summary record of the 53rd meeting
Held at Headquarters, New York, on Wednesday, 28 March 2001, at 10 a.m.

Chairman Ms. Dinic (Vice-Chairman) ..... (Croatia)
Chairman of the Advisory Committee on Administrative and Budgetary Questions Mr. Mselle

Contents

Agenda item 126: Report of the Secretary-General on the activities of the Office of Internal Oversight Services (*continued*)

Other matters

This record is subject to correction. Corrections should be sent under the signature of a member of the delegation concerned *within one week of the date of publication* to the Chief of the Official Records Editing Section, room DC2-750, 2 United Nations Plaza, and incorporated in a copy of the record.

Corrections will be issued after the end of the session, in a separate corrigendum for each Committee.

01-30833 (E)

In the absence of Mr. Rosenthal (Guatemala), Ms. Dinic (Croatia) Vice-Chairman, took the Chair.

The meeting was called to order at 10.20 a.m.

Agenda item 126: Report of the Secretary-General on the activities of the Office of Internal Oversight Services (*continued*)

Enhancing the internal oversight mechanisms in operational funds and programmes (continued) (A/55/826 and Corr.1)

1. **Mr. Lenefors** (Sweden), speaking on behalf of the European Union, said that the Office of Internal Oversight Services (OIOS) had an important role to play in enhancing the internal oversight mechanisms in operational funds and programmes. While the report of the Secretary-General (A/55/826 and Corr.1) noted that the implementation of previous OIOS recommendations had resulted in an overall improvement in oversight mechanisms, the lack of capacity of the funds and programmes to carry out their own investigations remained a cause of concern, particularly since it resulted in a drain on the resources of the Office. The European Union concurred with the recommendations contained in the report.

2. **Mr. Repasch** (United States of America) said that the comprehensiveness of the Secretary-General's report was ample compensation for the delay in its issuance. The recommendations it contained were reasonable and should be implemented by the Secretary-General. He hoped that the directors of funds and programmes would take measures to improve their programme evaluation and investigative capabilities in those areas where weaknesses had been identified. For its part, OIOS should continue to make its investigative capabilities available to the funds and programmes.

3. His delegation would welcome an evaluation of the performance of the Office of Audit and Performance Review of UNDP, which had been expected to serve as a model for other funds and programmes. The report noted that UNDP did not have specific procedures for reporting allegations of waste, fraud and mismanagement and the necessary steps should therefore be taken to correct that oversight.

4. He would also welcome clarification of the functions of the Inspector General's Office in the Office of the United Nations High Commissioner for Refugees (UNHCR), since the report noted that oversight and audit services were provided by the UNHCR Oversight Committee and that complex cases were referred to OIOS for investigation. He wished to know, further, whether the United Nations Children's Fund (UNICEF) had its own trained investigators and what specific measures were envisaged to improve cooperation and coordination between the internal auditors of the United Nations Office for Project Services (UNOPS) and those of United Nations entities who used the services of that Office. Lastly, he wished to know whether the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) had its own investigative capability.

5. **Mr. Ahmed** (Iraq) recalled that the previous report of the Secretary-General on enhancing the internal oversight mechanisms in operational funds and programmes (A/55/436) had drawn attention to financial wrongdoing and the waste of millions of dollars by the United Nations Office of the Humanitarian Coordinator in Iraq in Northern Iraq. No measures had been taken, however, to punish the perpetrators. It was unfair that Iraq should have to shoulder the resulting financial burden, since the Office of the Iraq Programme was funded from Iraqi resources. His delegation supported the recommendation that cooperation and coordination of internal audit coverage of the activities in Iraq, which were being funded by the oil-for-food programme, should be intensified to prevent any recurrence of such misdeeds.

6. **Mr. Farid** (Saudi Arabia) said that his delegation agreed with the recommendations contained in the report. It was essential for the Organization to strengthen its oversight of operational funds and programmes. Gaps continued to exist in the oversight arrangements and recommendation 3, which would have funds and programmes make budgetary provisions for investigation services provided by OIOS, had so far not been implemented.

7. **Mr. Nakkari** (Syrian Arab Republic) said that the report provided a good basis for future work. While his delegation supported recommendations I, II, IV, V and VI contained in the 1997 report (A/51/801) and referred to in paragraph 60 of the report currently under consideration, he wished to ascertain whether those recommendations had been endorsed by the General Assembly prior to their implementation. He recalled that Assembly resolution 54/244 requested the

Secretary-General to transmit the reports of the Office of Internal Oversight Services to the General Assembly for its consideration and action, in conformity with the relevant provisions of the Charter of the United Nations and the rules of procedure of the General Assembly. The premature implementation of the recommendations of OIOS could therefore be considered to be in contravention of the resolutions of the General Assembly governing the operations of the Office.

8. His delegation would also welcome clarification of the content of the memorandum of understanding which heads of funds and programmes had been requested to sign in early January 2001. It would be useful to know whether the memorandum of understanding had been concluded at the request of the funds and programmes.

9. **Mr. Nair** (Under-Secretary-General for Internal Oversight Services), replying to questions posed by delegations, said that, while not a perfect model for other funds and programmes, the Office of Audit and Performance Review of UNDP did have an internal audit mechanism for coverage of the Programme's operations. The terms of reference of the Management Review and Oversight Committee, which had been set up to review and comment on plans for internal audit of UNDP activities, needed to be further refined and adhered to, particularly with regard to the frequency of the Committee's meetings. Complex cases were indeed referred to OIOS for investigation.

10. With regard to UNHCR, the Inspector General's Office investigated simple cases, while more complex cases were referred to OIOS for investigation. For its part, UNICEF had already signed a memorandum of understanding ensuring that OIOS would have adequate resources for the services provided to the Fund and there was tacit agreement that more complex investigations would be carried out by OIOS.

11. He would be happy to reply during the informal consultations to the question posed by the delegation of Iraq. In response to the question asked by the representative of Saudi Arabia, funds and programmes were required to pay OIOS for its investigative services. With regard to the question asked by the representative of the Syrian Arab Republic, the recommendations of OIOS had been endorsed by the General Assembly, which had also requested OIOS to prepare the current updated report. OIOS was now reporting on what the funds and programmes had done to implement its earlier recommendations.

12. The memorandum of understanding referred to in paragraph 59 of the report was essentially a service agreement that set out the procedures under which OIOS would undertake investigations for funds and programmes. Since the services of OIOS were being paid for, it was only natural that there should be agreement on the terms under which they were provided.

13. **Mr. Ahmed** (Iraq) said that his delegation wished to have the reply to its question given in a formal meeting of the Committee.

Other matters

14. **Mr. Nakkari** (Syrian Arab Republic) said that his delegation had at an earlier meeting of the Committee requested an opinion from the Office of Legal Affairs on the administration's understanding of what was meant by the expression "to take note of a report". He noted that paragraph 28 of annex VI to the rules of procedure of the General Assembly provided that the General Assembly, including its Main Committees, should merely take note of those reports of the Secretary-General or subsidiary organs which did not require a decision by the Assembly and should neither debate nor adopt resolutions on them, unless specifically requested to do so by the Secretary-General or the organ concerned. He wished to reiterate his delegation's official request for a representative of the Office of Legal Affairs to appear before the Committee to clarify the issue. He recalled the opinion given to the Committee by the Office of Legal Affairs during the forty-third session of the General Assembly that the expression meant that the General Assembly had considered the report and had neither endorsed nor rejected it. It would be useful to have a reconfirmation of that understanding. In the absence of the clarification it had requested from the Office of Legal Affairs, his delegation would have difficulty taking note of any report of the Secretary-General.

15. **Mr. Albrecht** (South Africa) said that his delegation too was interested in receiving clarification of the matter from the Office of Legal Affairs.

16. **Mr. Acakpo-Satchivi** (Secretary of the Committee) observed that the opinion already expressed by the Office of Legal Affairs remained valid unless and until it was contradicted by a

subsequent opinion. He had contacted the Office of Legal Affairs and had been advised that the meaning of the expression "to take note of a report" depended on the context in which the expression was used. In the Security Council, for example, it might mean authorizing the action called for in the report. In the Third Committee, where voluminous reports were often submitted to the Assembly late in the session, it would merely be a courtesy to the Rapporteur who had prepared the report, since it was often materially impossible to consider the content of the report in the time available. That did not mean, however, that the entire content of the report was accepted. Any request to the Office of Legal Affairs for clarification must therefore concern a specific case, since no standard reply could cover all cases of the use of the term. Furthermore, the request must emanate from the Committee and not from an individual delegation or group of delegations. It was therefore for the Committee to decide whether it wished to address a specific question to the Office of Legal Affairs.

17. **Mr. Nakkari** (Syrian Arab Republic) said that he had no wish to continue a debate with an official who was neither concerned with the matter nor qualified to discuss it. The debate must be taken up with all the seriousness it deserved and he called on the Chairman to follow up on his official request for a representative of the Office of Legal Affairs to appear before the Committee.

18. **Mr. Orr** (Canada) said that his delegation would expect the Bureau to follow the proper legal procedure in the matter. It would also be helpful if the document containing the previous opinion of the Office of Legal Affairs could be made available to the members of the Committee.

19. **Mr. Albrecht** (South Africa) said that his delegation would also find it very helpful to receive an explanation directly from a representative of the Office of Legal Affairs.

20. **The Chairman** said that she would transmit the Committee's request to the Bureau, which would follow up the request.

The meeting rose at 11.15 a.m.